

# BRANSON 2<sup>nd</sup> QUARTER 2014 MARKETING REPORT

October 14, 2014

Branson Convention & Visitors Bureau

BRANSON

# PRESENTATION OVERVIEW

Economic Overview

Travel Industry Update

Branson 2Q 2014 Update

# ECONOMIC OUTLOOK

Consumer Confidence is at 90.9, up 17% in 2014 and is now at its highest point since October 2007.



Source: The Conference Board

**+17.3%**

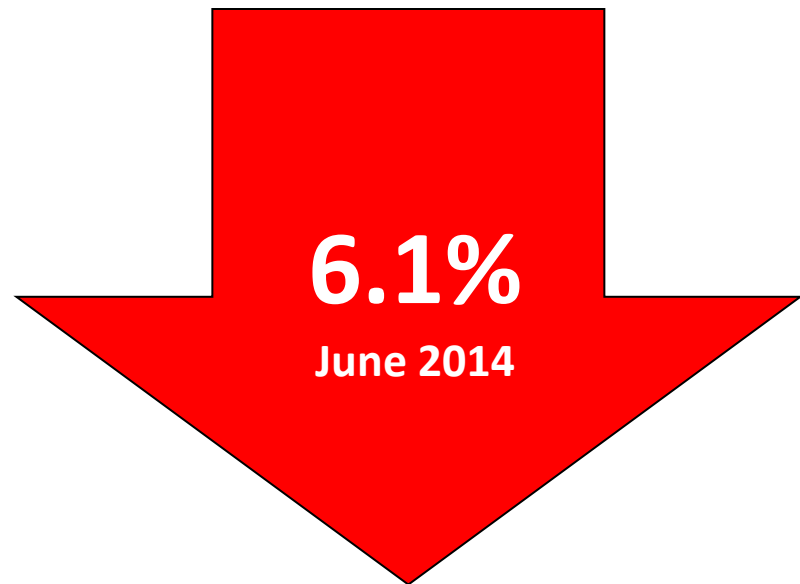
**In 2014**

An index of 90 is  
considered  
necessary for  
sustainability and  
100 is required for  
growth.

U.S. Unemployment Rate stands at 6.1%, the lowest it has been since September 2008.



*The Unemployment rate had dipped to 6.1% in June, down from 6.7% at the start of the year.*



Source: Bureau of Labor Statistics

U.S. Gasoline Prices averaged \$3.54 in July, up 10.2% on the year and up 1.1% compared to April of 2013.



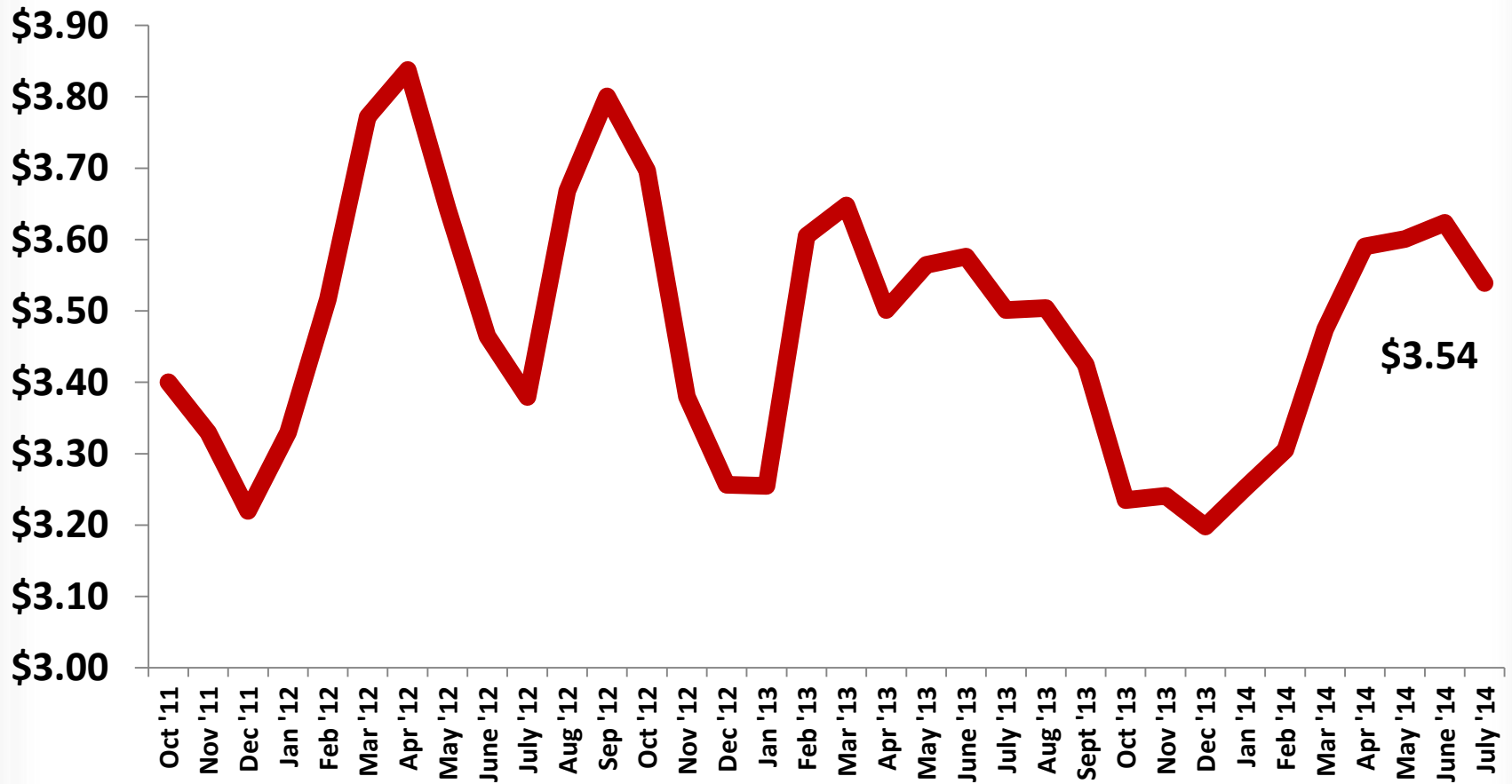
**+1.1%**

Vs July 2013

EIA reports that  
gasoline prices  
averaged \$3.54 in  
July.

Source: U.S. Energy Information Administration

# HISTORY OF U.S. AVERAGE GASOLINE PRICES



Source: U.S. Energy Information Administration



The DJIA closed Aug. 2013 at 16,368.27 on August 7,  
flat so far in 2014.



Source: Dow Jones Industrial Average

**-1.3%**

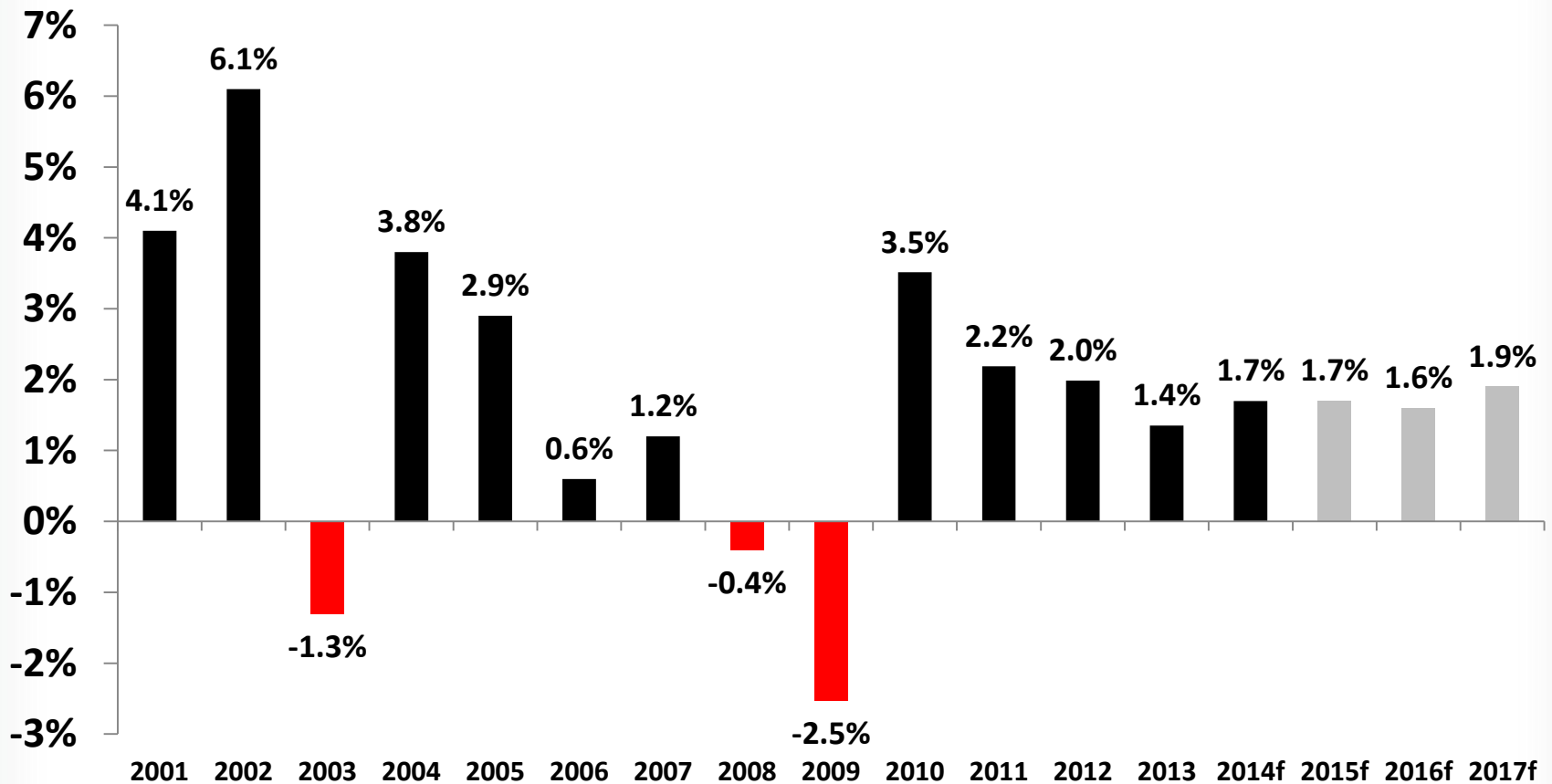
**In 2014**

The DJIA hit  
16,368.27 on  
August 7, down  
from the  
16,576.66 close in  
December.



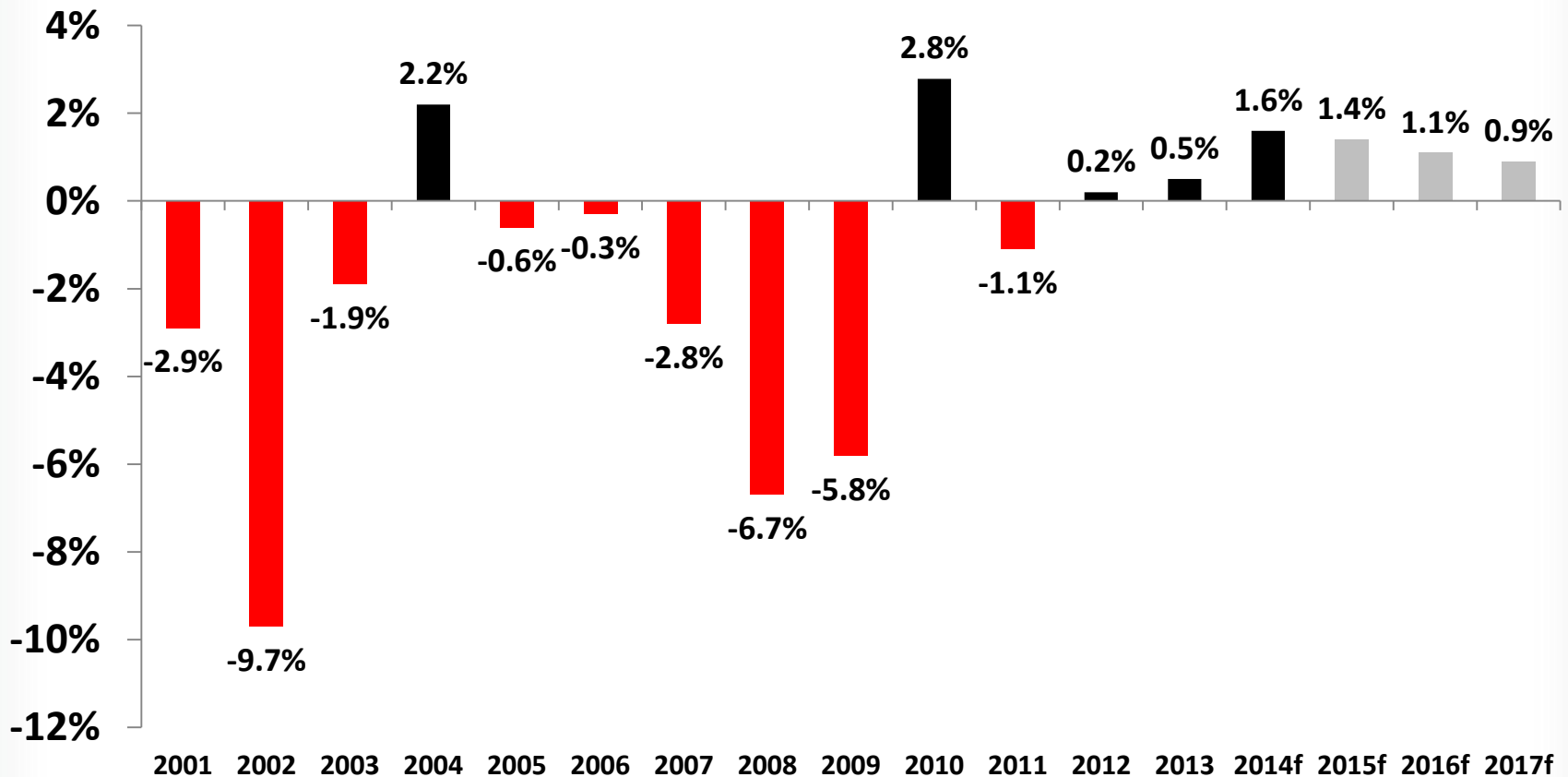
# U.S. TRAVEL PERFORMANCE

The US Travel Association estimates leisure travel was up 1.4% in 2013 and will increase 1.7% in 2014.



Source: U.S. Travel Association

Business travel volume is estimated to have increased by 0.5% in 2013 and is projected to grow 1.6% in 2014.



Source: U.S. Travel Association

Nationwide, room demand is up 4.1% over the previous 12 month period.

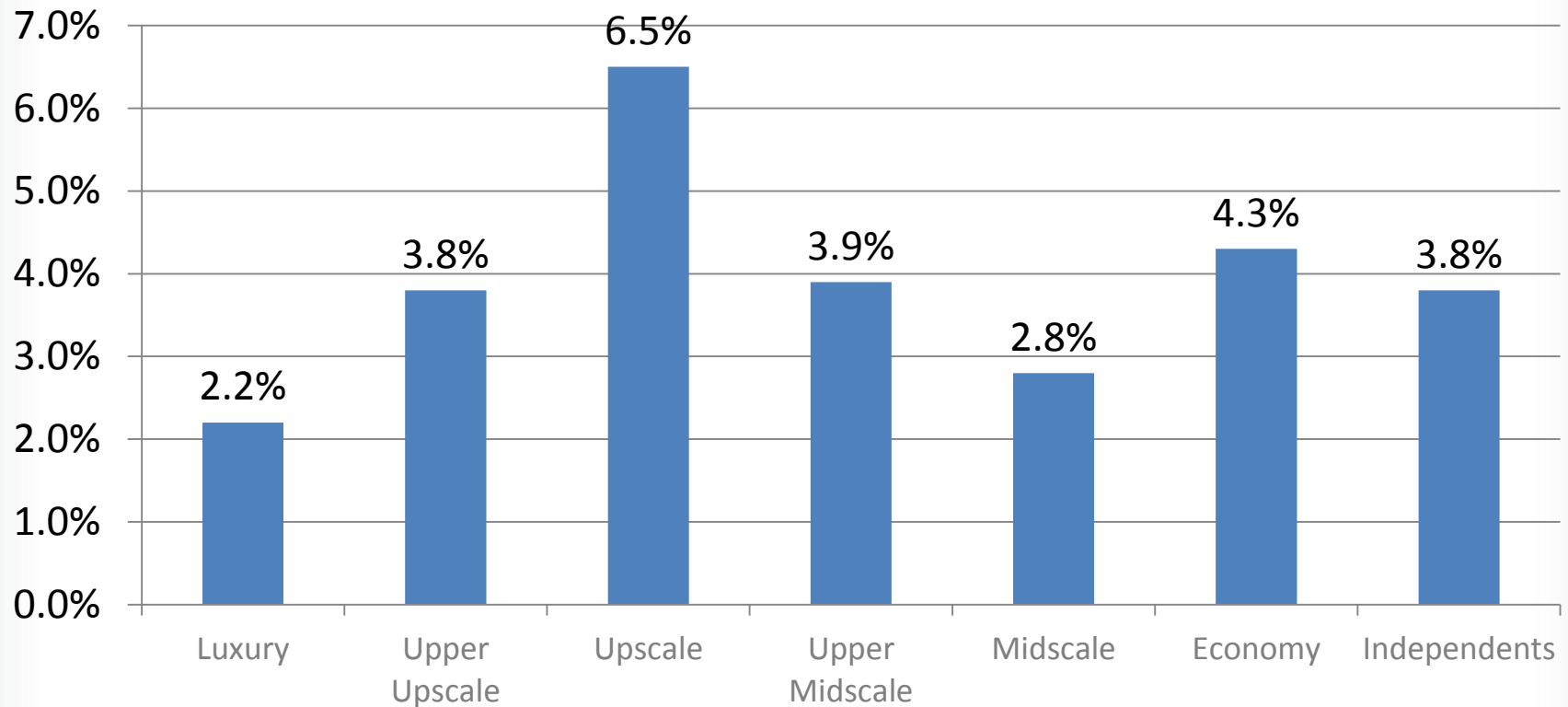


Source: Smith Travel Research

**+4.1%**  
Past 12 Months

## U.S. room demand has varied by chain scale so far this year.

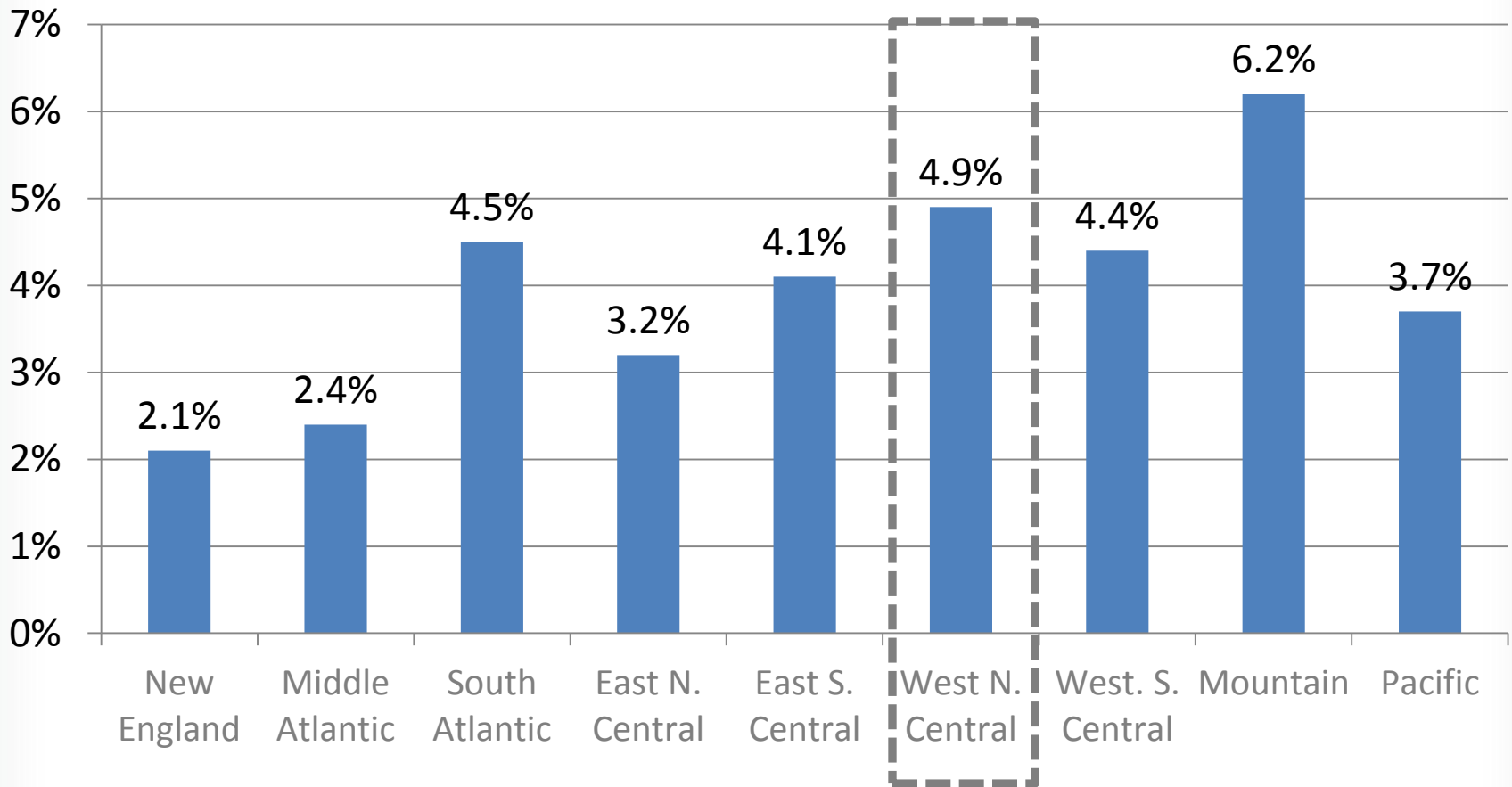
*EOY Variance in Room Demand by Chain Scale*



Source: Smith Travel Research

# U.S. room demand is up in every census region, but is strongest in the Mountain region.

*EOY Variance in Room Demand by Census Region*



Source: Smith Travel Research

# TRAVEL INDUSTRY UPDATE



# TRAVEL INDUSTRY OVERVIEW

## Forecast 2014

2014 lodging demand is expected to grow by 3.3% while supply is expected to increase by 1.0%. The net result is a national occupancy forecast of 63.8% in 2014 which, if it occurs, will be the highest annual occupancy rate since 1997.

Other growth is expected as well. It is expected that domestic air travel enplanements will grow by 2.0%, U.S. gross domestic product (GDP) will increase by 2.0%, disposable consumer income will increase 1.8%, personal spending will grow 2.0%, the savings rate will increase 3.5% and inflation will increase 2.5%.

# TRAVEL INDUSTRY OVERVIEW

Choice Hotels' 2014 Summer Travel Survey revealed 8 trends:

**More Trips, But Fewer Nights Away.** There will be a 17.2 percent increase in the number of leisure trips taken this summer, but travelers will spend fewer nights away, with a decrease of 9.4 percent.

**Travelers Prefer Driving.** The survey found that 75.3 percent of summer travelers are planning to drive to their leisure travel destination this summer, driving an average of 689 miles round-trip. Fifty percent of respondents also said that they would prefer a two-hour drive compared to a flight, bus or train ride.

**Loyalty Programs Influence Travelers' Booking Decisions.** The survey showed that 34.6 percent of travelers say that loyalty and incentive programs influence where, how and when they travel, and over 53 percent of respondents are enrolled in travel rewards programs.

# TRAVEL INDUSTRY OVERVIEW

Choice Hotels' 2014 Summer Travel Survey revealed these top 10 trends

**Camping is the Least Favorite Vacation.** Nearly 40 percent of travelers (38.2 percent) said that camping was the least desirable type of summer vacation.

**New Locations Trump Old Favorites.** Almost 70 percent of respondents (66.8 percent) would prefer to visit somewhere new over returning to a favorite vacation destination this summer.

**Travelers Want to Explore Cuisines, Unless They Have Kids.** When on summer vacation, 28.9 percent of respondents choose to dine at restaurants they can't find at home, unless they are traveling with children. If travelers have children under 12 years of age, 24.5 percent most often visit casual dining restaurants, like TGI Friday's and Applebee's.

# TRAVEL INDUSTRY OVERVIEW

Choice Hotels' 2014 Summer Travel Survey revealed these top 10 trends

**Free High-Speed Internet Most Important.** Free high-speed Internet was selected by 65.5 percent of respondents as the "must-have" amenity when selecting a hotel or resort for summer travel. Following free high-speed internet, free continental breakfast and an in-room refrigerator polled highest for needed amenities at 54.5 and 49.6 percent, respectively.

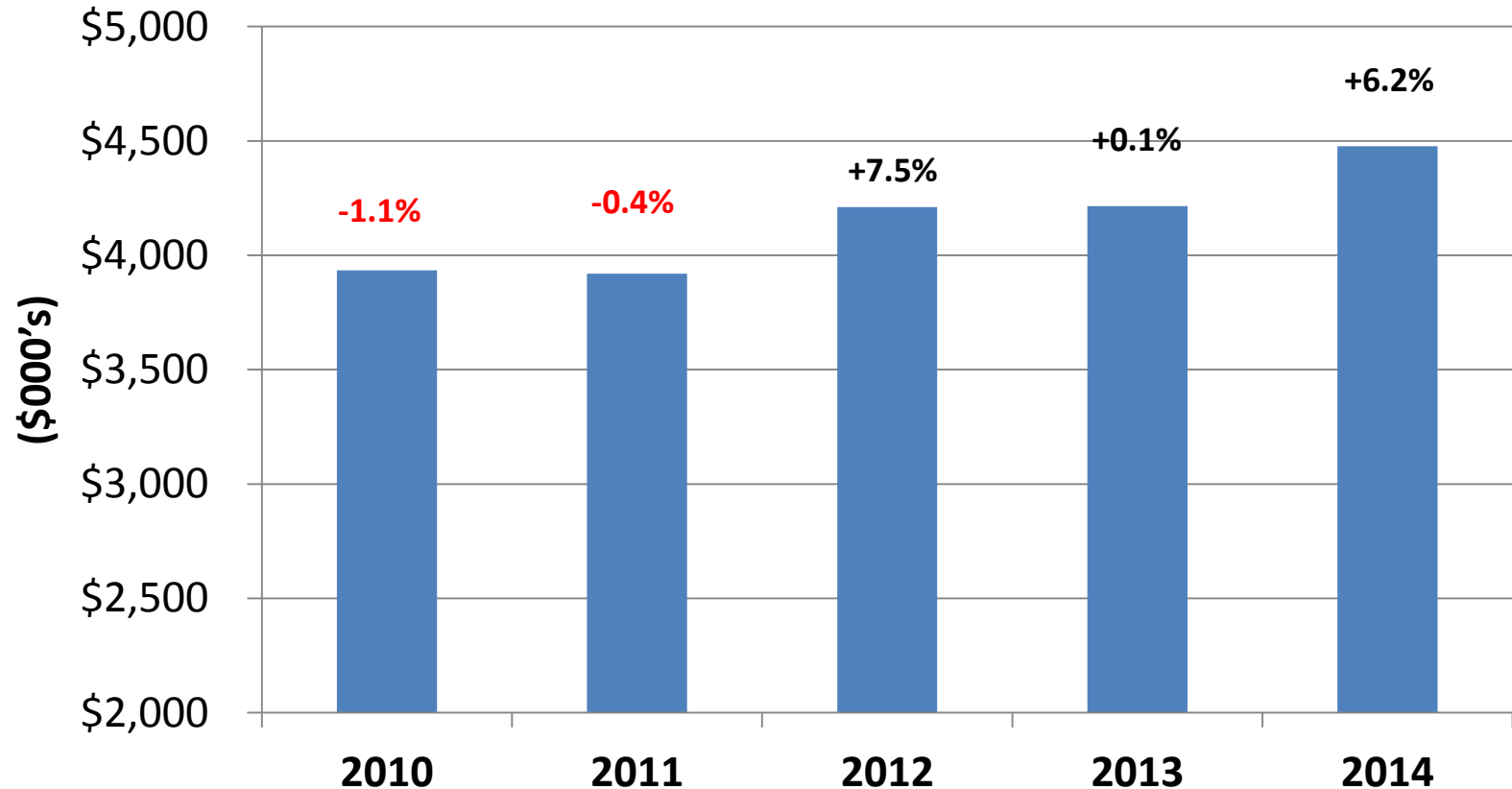
**Millennials are Travelling with Pets.** The survey found that Millennials are 21.7 percent more likely than older generations to be traveling with a pet this summer.

The background is a dark green color with a subtle, repeating pattern of leaf shapes, possibly maple leaves, in a slightly lighter shade of green. The leaves are oriented in various directions, creating a textured, organic feel.

# BRANSON 2014 PERFORMANCE

# CITY OF BRANSON SALES TAX

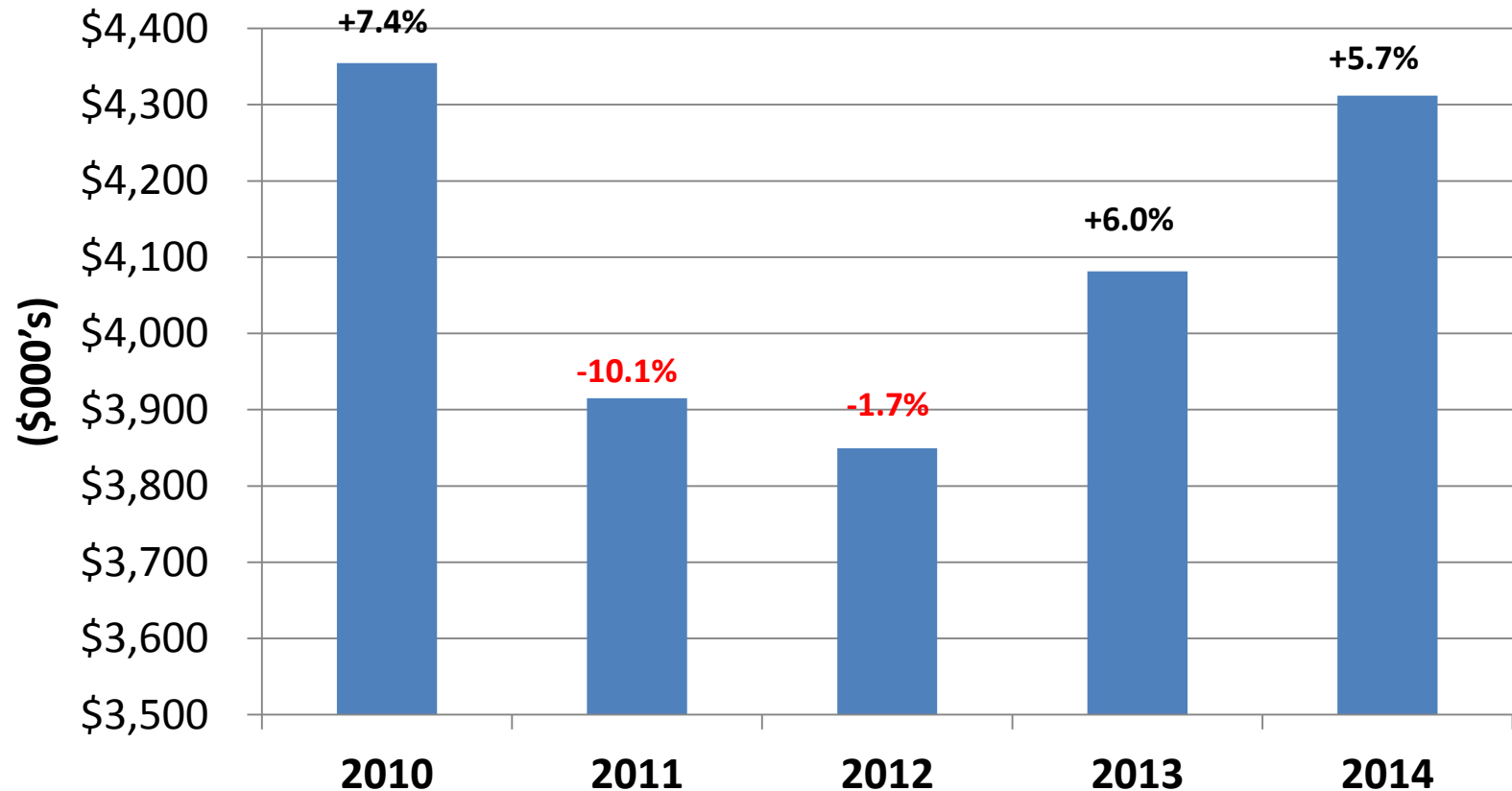
YTD through June 2014



Source: City of Branson

# CITY OF BRANSON TOURISM TAX

YTD through June 2014

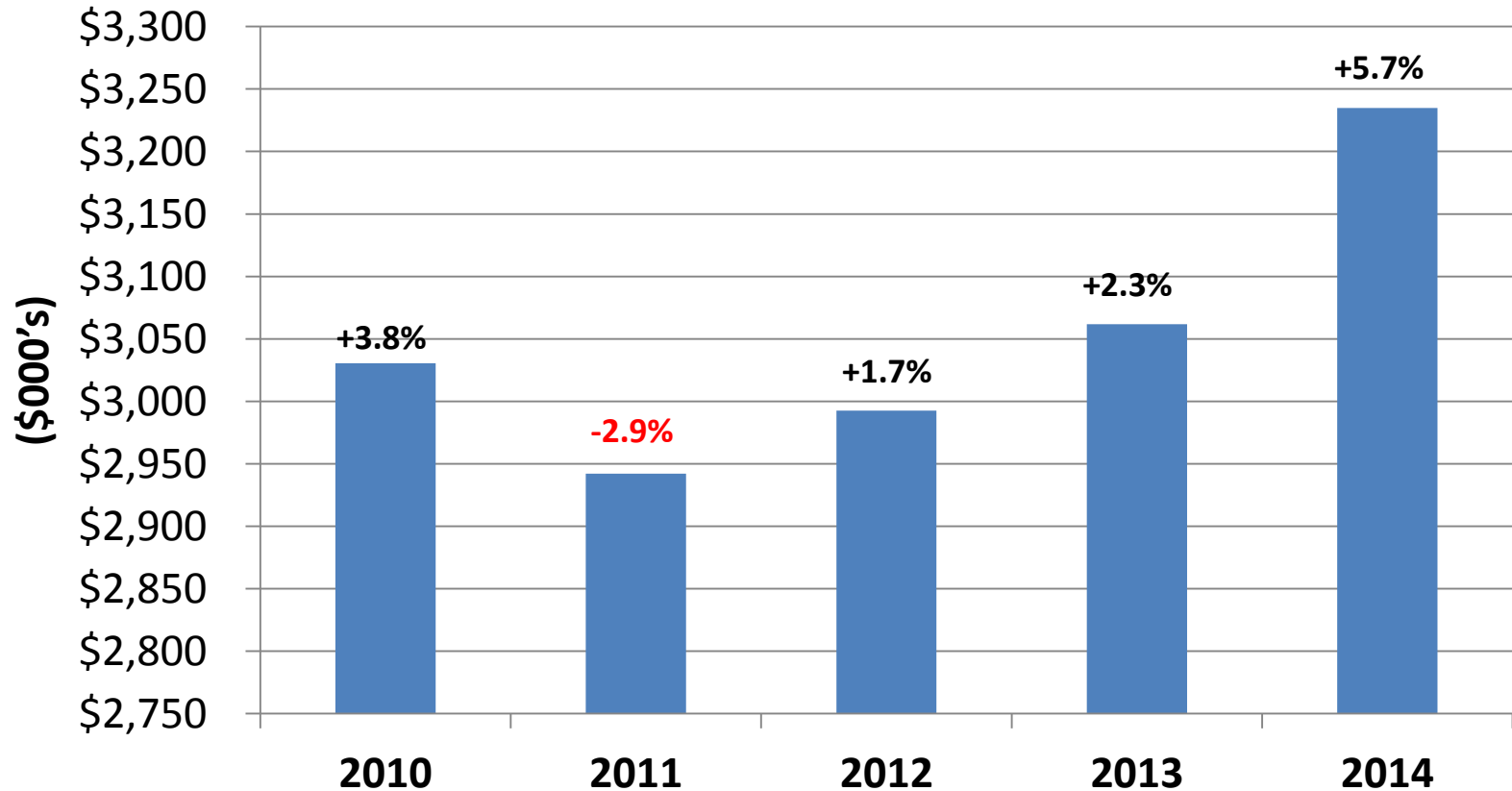


Source: City of Branson



# TCED TOURISM TAX

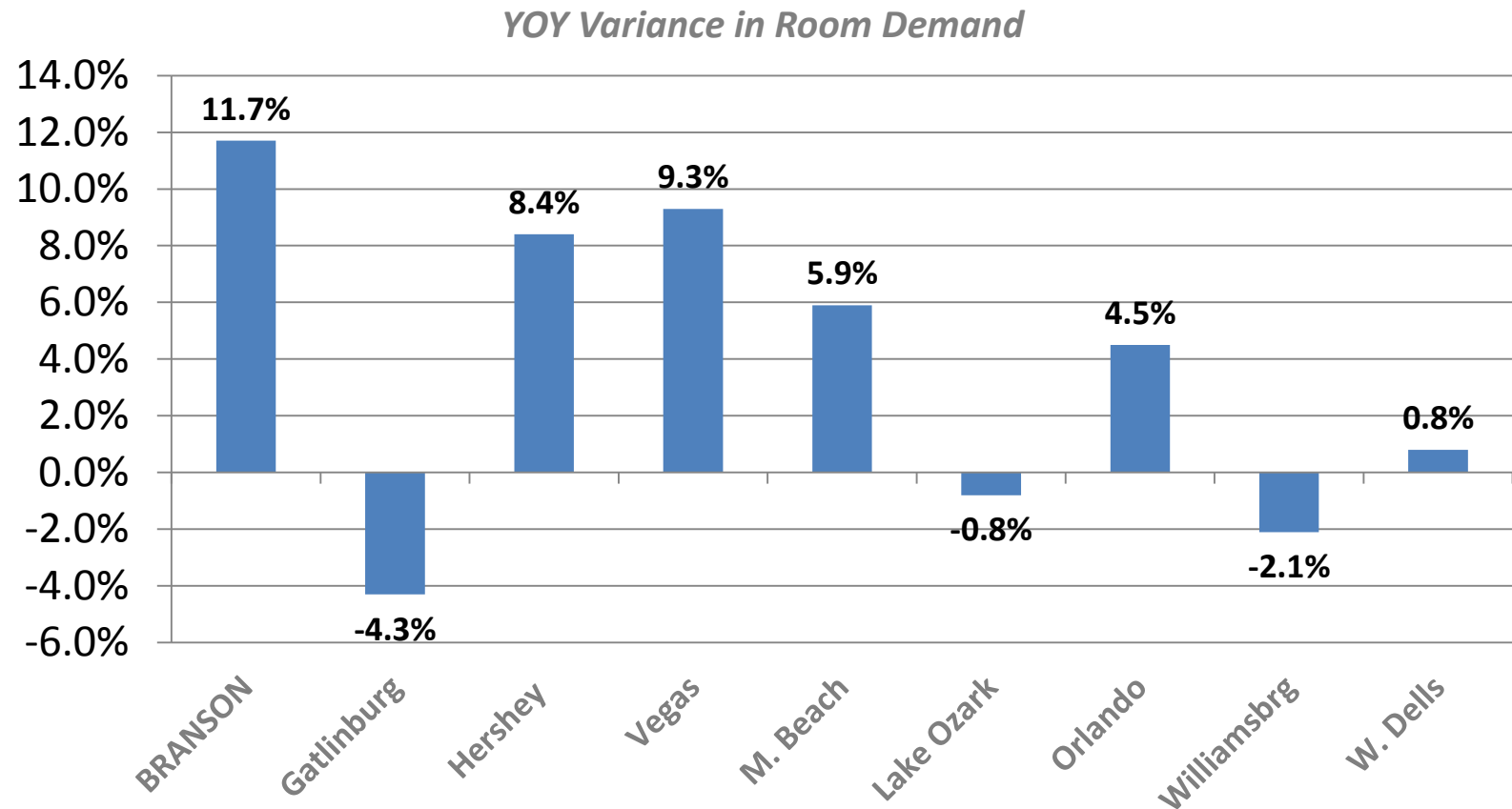
YTD through June 2014



Source: TCED

# ROOM DEMAND COMPARISON

YTD through June 2014



Source: Smith Travel Research

The background of the image is a dark, rich brown wood with a prominent horizontal grain. There are several knots and natural imperfections visible in the wood, adding texture and depth. The lighting is slightly darker towards the edges, creating a subtle vignette effect.

# **BRANSON VISITOR UPDATE & CVB NEWS**

# 2014 VERSUS 2013

## Branson Visitor Profile Insights (YTD through May)

	<u>2014</u>	<u>2013</u>	<u>VAR</u>
Spending per party	\$839	\$853	-\$14
First-time visitors	22.4%	25.2%	-2.9%
% Families	35.9%	28.4%	+7.5%
Average adult age	58.5	58.6	+0.1
Length of stay	4.1	3.6	+0.5
% saw shows	77.8%	77.3%	+0.5%
Avg. # shows seen	3.2	3.2	+0.0

Source: BCBV Visitor Profile Research; H2R Market Research

# 2014 YTD VISITATION BY MARKET

## DMA Report Findings (YTD Through May)

% of Visitors	Market	Var. to 2013
17.1%	Core Market (0-100 miles)	-0.1%
30.0%	Primary Markets (101-300 miles)	+1.2%
24.4%	Outer Markets (301-650 miles)	+0.0%
28.6%	National Markets (651+ miles)	-1.1%
100.0%	Total	+ 8.4%

Source: BCBV Visitor DMA Report; H2R Market Research

# ExploreBranson.com

- Partnered with Springfield CVB to conduct website focus groups compared to several other destinations
  - Groups in St. Louis, Dallas and Oklahoma City
- Used findings to conduct RFP process to select partner to re-design ExploreBranson.com
  - Selected Miles Partnership in May
  - Site's underlying technology was over 5 years old
  - Miles/BLACVB currently rebuilding the site
  - Expected Jan/Feb 2015 launch



# Public Relations

- Branson is #19 in U.S. family destinations, according to TripAdvisor, beating out places like Nashville and Myrtle Beach.
- Society of American Travel Writers Western Chapter coming to Branson next spring for their 2015 conference.
- Vocus (edited, Branson CVB) ad equivalency value is currently up 4% versus previous year.



# Social Media

- Choose Your Own Branson Adventure Giveaway on Facebook
  - Fans created the package and then entered to win.
  - 2,485 contest entries
  - 1,368 contest entry shares
- Hosted two Branson Twitter Parties with the theme of “Summer Fun”
  - 20+ Branson businesses participated
  - 50+ consumers engaged



# Leisure Group Sales

## Trade Shows:

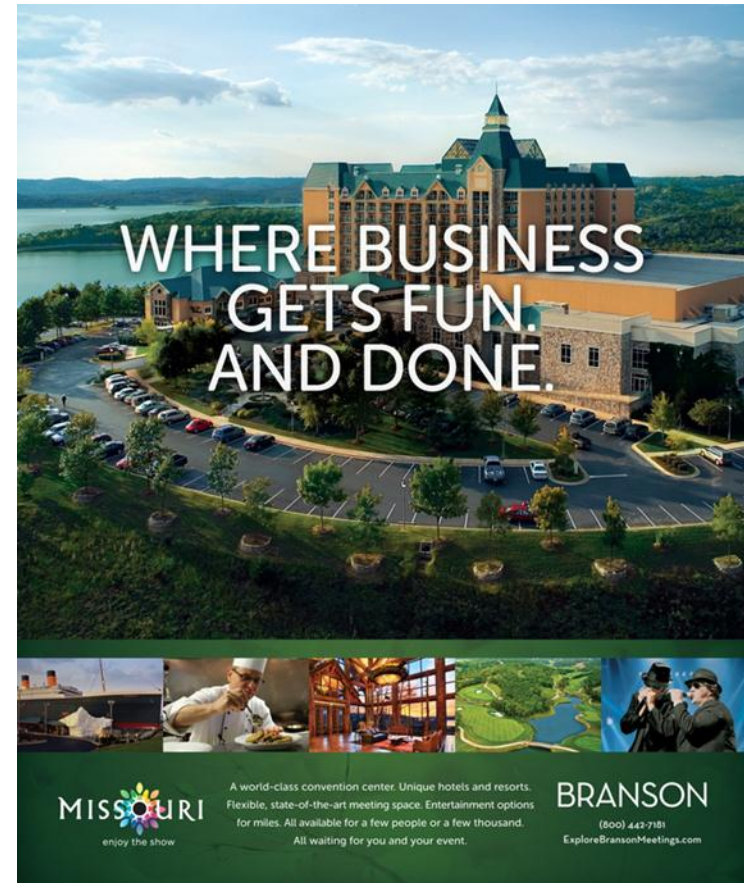
- |  |             |
|--|-------------|
| • Women's Living Expo, Springfield, MO   | April 4-5   |
| • International PowWow, Chicago, IL      | April 5-9   |
| • Missouri Bank Travel Exchange, Branson | April 29-30 |
| • YMRC, San Antonio, TX                  | May 4-6     |
| • Texas Black Expo, Houston, TX          | June 20-22  |

## Hosted:

- |  |             |
|--|-------------|
| • 6 <sup>th</sup> Annual Professional Travel Planner FAM | April 22-25 |
| • 8 <sup>th</sup> Annual Music Director FAM              | June 17-20  |

# Meetings & Conventions

- Working with Central States Shrine Assn to return in 2018. This group brought 3,400 attendees to Branson in August 2013.
- Two videos were completed: a welcome video for groups to show at the convention prior to Branson and a campaign video to encourage local community leaders to be an advocate within associations and groups they belong to.
- A new ground transportation incentive plan was developed to assist meeting planners with transportation between the Springfield-Branson Airport and Branson.
- Our team hosted a special local educational seminar on the meetings, conventions and sports markets on. Topics included sales prospecting, marketing and research.



# Looking Ahead

- 2015 Marketing Plan
- 2015 Budget
- Launch of Redesigned ExploreBranson.com
- 2015 ABA and SYTA Planning
- Ad Agency Search
- Cooperative Asset Program